

**UTAH RESIDENTIAL MORTGAGE
REGULATORY COMMISSION MEETING**

Heber M. Wells Building

Room 210

9:00 a.m.

January 2, 2019

TELEPHONE MEETING

DRAFT

MINUTES

DIVISION MEMBERS PRESENT

Jonathan Stewart, Division Director
Mark Fagergren, Licensing and Education Director
Kadee Wright, Chief Investigator
Justin Barney, Hearing Officer
Chad Tengler, Real Estate Analyst
Elizabeth Harris, Assistant Attorney General
Stephen Gillies, Assistant Attorney General
Mary Martinez, Board Secretary
Marvin Everett, Investigator
Tim Cuthbertson, Investigator
Lark Martinez, Division Staff
Mike Page, Division Staff
Desha Pages, Division Staff

COMMISSION MEMBERS PRESENT

George Richards, Chair
Kay Ashton, Vice Chair
Cathy J. Gardner, Commissioner
G. Scott Gibson, Commissioner

The meeting on January 2, 2019 of the Utah Residential Mortgage Regulatory Commission began at approximately 9:01 a.m. with Chair Richards conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes – A motion was made and seconded to approve the minutes of the meeting held November 7, 2018, as written. Vote: Chair Richards, yes; Vice Chair Ashton, yes; Commissioner Gibson, yes. The motion is approved.

Public Comment Period

No public was present.

DIVISION REPORTS

Director's Report – Jonathan Stewart

Director Stewart welcomed Mary Martinez and introduced her to the Commission. Ms. Martinez started Monday, December 17, 2018 as Board Secretary replacing Amber Nielsen.

Director Stewart is working to identify a potential replacement for Commissioner Steve Hiatt. One potential Commissioner was identified. However, the individual declined the invitation to serve on the Commission.

Director Stewart reported there is not yet an official draft of the proposed statutory amendment for the 2019 legislative session. He stated that once there is a draft, he will send it to the Commission. He noted there are two new legislators who have agreed to sponsor the bill. Kirk Cullimore, Jr. on the senate side and Calvin Musselman on the house side.

Director Stewart reviewed the 2019 Mortgage Regulatory Commission calendar. All meetings are on the first Wednesday of the month with the exception of July. He requested the Commissioners to inform him of any conflicts so that the meeting schedule might be amended, if necessary.

Enforcement Report –

Ms. Wright reported in November the Division received 2 complaints; opened 1 case; closed 2 cases; leaving 98 open mortgage cases. The AG's office has 0 cases.

Ms. Wright presented the following for consideration:

Stipulations for Review

Steven M. Stone

Education/Licensing Report – Mark Fagergren

Mr. Fagergren reported that the deadline for the annual on time license renewal period ended December 31. Mr. Fagergren extended a special thanks to Lark Martinez, Mike Page, and Desha Pages for the smooth licensing process.

Mr. Fagergren reported out of 1215 lending managers 1124 have requested renewal. Staff has processed 97% the licenses needed. 76.1% renewed in a timely manner and 24% have not renewed, they have 2 months to reinstate their license, although people who have not renewed by the deadline often do not renew.

Mr. Fagergren determined the primary factor that on time renewals are down is the economy and inflation. Of the 892 recent licensees needing to take the 5 hour Course to renew their license, only 40% have completed the course. Mr. Barney pointed out that 60% did what was required. Mr. Fagergren, also thought the mandatory 5 hour course eliminated those not serious in a career in the mortgage industry.

COMMISSION AND INDUSTRY ISSUES

Mr. Barney stated Lark Martinez is assisting in gathering statistics needed for the proposed Rule amendment requiring individuals who are newly and also applying for reinstatement in Utah to take a 5 hour course.

Commissioner Gibson asked for clarification regarding the requirements for compensation of loan originators by mortgage Brokers vs. Lenders. He is afraid there is not enough consistency in the regulation for compensation. Mr. Barney determined he would need to research this matter to determine if either state law or administrative rules affects Brokers verses Lenders differently.

CLOSED TO PUBLIC

An executive session was held from 9:25 a.m. to 9:29 a.m.

OPEN TO PUBLIC

Results of Executive Session

Steven M. Stone – Approved

A motion was made to adjourn the meeting. Vote: Chair Richards, yes; Vice Chair Ashton, yes; Commissioner Gardner, yes; Commissioner Gibson, yes. The motion is approved. The meeting adjourned at 9:29 a.m.